

**DISTRICT ATTORNEY STEVE COOLEY  
BUDGET PRESENTATION  
TO THE BOARD OF SUPERVISORS  
1:00 p.m., MAY 21, 2002**

This presentation is four fold:

- **WHERE WE WERE** – The budget from 1991 to date
- **WHERE WE ARE** – The current state of the office
- **WHERE WE SHOULD BE** – Specific request for appropriate funding
- **WHERE WE COULD BE** – The consequences of a funding failure

**WHERE WE WERE**

Our department has never fully recovered from the last recessionary period, and as a result, we lack the flexibility to be responsive to highly sensitive and important public concerns.

During the recession years of 1991-92, 1992-93, 1993-94, the District Attorney's Office suffered a cumulative curtailment of 391 full-time positions. These were virtually all general fund positions designated for general or countywide prosecutorial programs.

Since that time and during the following eight budget years, the District Attorney's Office has aggressively sought outside funding to maintain an effective prosecutorial office for the people of Los Angeles County.

During this eight-year period, the Board of Supervisors has provided 25 general fund positions, primarily for added criminal courts and early disposition programs.

Within this same eight-year period, the District Attorney's Office has obtained 577 additional positions for revenue-offset specialized programs. These prosecutorial projects are typically narrowly defined vertical prosecution activities funded by state, federal, intra-county, or municipal interests and governed by strict memoranda of understanding.

In these specialized programs, such as Workers' Compensation Fraud, Welfare Fraud, Auto Insurance Fraud and other specialized prosecution programs, assigned staff may not be diverted for any other purpose. They may not be used to supplement general County prosecution activities in line operations.

So, although the number of overall employees has increased since the last recession, flexibility in the use of employees has been greatly diminished over the past 10 years. This is not a well-understood fact, but it is paramount in recognizing the personnel shortages that the District Attorney's Office is experiencing in general County prosecution operations.

The District Attorney's Office must staff 230 courtrooms spread across the length and breadth of Los Angeles County. There are 501 attorneys to staff these courts. Vacations, sick leave and other absences must be adjusted within the available number of assigned employees.

It is standard for attorneys to hurry from courtroom to courtroom to provide coverage for cases scheduled in those courts.

The addition of 25 new personnel over an eight-year period to replace hundreds of general County positions is beyond grossly inadequate.

In 1993, the voters of California passed Proposition 172 – the public safety tax. During the last 10 years the County has not used the proceeds of the half-cent public safety sales tax to increase appropriations to the department or to assist in meeting repeated appeals for prioritized unmet needs.

In the current period of 2001-02, the Proposition 172 funds account for 33% of the gross appropriation for the District Attorney's Office. The County general fund provides 43%. Outside revenues supply the balance of 24%. The combined effect of general County funds and Proposition 172 funds is 76% of the department's funding.

By contrast, prior to the recession in fiscal year 1990-91, the general fund alone accounted for 83% of the department's funding.

The District Attorney's Office has actually lost ground in general County funding over the last 10 years, including consideration for Proposition 172 funding.

These two funding elements just don't provide sufficient financing flexibility for the department to respond to changing public protection priorities. The result is outside funding for a highly sophisticated array of specialized services which cannot be used for grossly under-financed critical needs, that are more general and Countywide in nature.

As a result, all line operations are struggling -- from Antelope Valley to Long Beach, from Pomona to Santa Monica, and Central Operations in the core of the County -- due to lack of support from general County revenue sources.

For this reason, it has become nearly impossible to adequately staff the new Countywide priorities which I have repeatedly presented to you as unmet needs. Among them are the District Attorney's Roll Out Team, the Justice System Integrity Division, the Organized Crime Division, and other very real priorities.

However, this is not the only problem with the District Attorney's budget. There is a major built-in structural flaw.

The already meager general County allocation, Proposition 172 funds, and even grant-funded appropriations for salaries are discounted more than 13% to provide for a very unrealistic "salary savings" requirement. The "salary savings" factor -- due to fifth step variance and normal vacancy expectations -- should be no more than 8% overall. This would bring the office's "salary savings" factor in line with the Los Angeles County Sheriff's Department. The operations of the District Attorney's Office are being crippled by the illogical acquiescence of a previous administration which followed the practice of absorbing employee benefit increases through decreased salary financing.

I would dare say that not one of the Board offices has been required to maintain chronic understaffing due to continually increasing costs of the County's workers' compensation program or retiree healthcare costs.

Both of these issues must be carefully reexamined. The “salary savings” issue should not be lightly dismissed by reliance on the inaccurate and cursory treatment that it received in the February 13, 2002 memo from the CAO to the Board.

## **WHERE WE ARE**

Since December 4, 2000, the Los Angeles County District Attorney's Office has been reviewed, reorganized and re-energized. Budget categories have been reconciled and the office has remained carefully within the mandates of its budget.

To help accomplish this an "office scan" program was created. This unprecedented review of office operations called for the head deputy of every division and many deputies-in-charge of specialized units to exam his or her unit's functions. They were required to prepare manuals describing their respective missions and to set forth goals and procedures to accomplish those missions. They then made presentations to the management staff followed by frank discussions. In addition, an internal budget review was undertaken to adjust programs that were either over budget or not fully utilizing outside revenue sources. That review is on-going and the budget is now carefully monitored.

To accomplish the reorganization and meet budget goals, there has been the largest transfer of legal personnel in the office's history. During the past 18 months, more than 600 deputy district attorneys have been transferred.

We have operated in good faith with the Board of Supervisors. There have been regular meetings with Board members and with justice deputies to assure the flow of information between the District Attorney's Office and the Board of

Supervisors. There has also been copious correspondence between the District Attorney's Office, Board offices, and the Chief Administrative Officer.

As an independently elected official, I have to answer to constituent concerns throughout the County, just as Board members must do in their districts. I have created special units to respond to legitimate public concerns. The Public Integrity Division (PID) prosecutes election fraud, handles Brown Act complaints, criminal acts by public officials, and theft of public funds, as well as corruption within public institutions. When it began in January 2000, PID received 38 open cases and one filed case from its predecessor (SID). By May 2002, PID was evaluating 140 complaints, had opened another 146 cases and filed 38 criminal cases. This represents a more than 800% increase in workload.

The Justice System Integrity Division (JSID), which deals with offenses involving peace officers, judges, lawyers, and other members of the justice system, has evaluated an average of 52 new cases a month since it was created. Its Roll Out component independently reviews all officer-involved shootings and in-custody deaths averaging 10 incidents a month. The unit is drastically underfunded given its workload.

Other public priorities have included our newly revitalized Arson Section which has seen a dramatic increase from 5 cases and 5 pending investigations a year ago to 43 cases today and 31 more under investigation. The unit confronts a major problem – negligent and intentional fire setting involving large-scale fraud, loss of property or loss of human life.

The Forensic Sciences Section is our 21<sup>st</sup> Century unit. Headed by a national leader in the legal application of DNA, it is now targeting “cold cases” -- unsolved sexual assault cases and homicide cases with a sexual component.

A major innovation and improvement requiring additional resources is the Victim Impact Program (VIP) which places specially trained prosecutors into courtrooms throughout the County to deal with crimes perpetrated against the most vulnerable victims. These deputies vertically prosecute crimes of domestic violence, child physical and sexual abuse, adult sexual assault, elder abuse, hate crimes and stalking.

Staffing issues have been exacerbated because of court consolidation, the implementation of Proposition 36, and staffing for new drug courts.

The unmet needs presented to the Board last year -- and fully documented at that time -- are still all unmet. Meeting these needs is essential to the health of the justice system and improved public protection.



## **WHERE WE SHOULD BE**

Our appeals to the Board of Supervisors have been frequent and well documented. We have not asked for funding frivolously nor without justification. We have maintained a consistent theme. Documented priorities have not changed over the last 18 months.

As I have said, we have visited your offices and have frequently consulted with your staff members. Most importantly, despite a lack of funding response, we have managed our funds conscientiously and within the limits of our budget. Given the demands on our department, this has not been an easy task. Responsible and creative management deserves acknowledgement, recognition and reward.

I am here today to request specifically that the Board provide \$10 million over and above the CAO's recommended budget for the Los Angeles County District Attorney's Office for the coming fiscal year.

This is a mere ripple in the multi-billion dollar ocean that constitutes the County's annual budget.

I further request the Board order the Director of the Department of Public Social Services to restore the Welfare Fraud Investigation and Prosecution Programs, at a minimum, to last year's level. The consequences of failing to adequately fund these programs are enormous, particularly relating to the Internal Welfare Fraud Program.

Attacks on public benefit programs by both organized rings of fraudulent operators and individuals are unrelenting. It is penny-wise and pound-foolish and, indeed, a betrayal of taxpayers to fail to fund the welfare fraud integrity programs at this time.

In a single case this year, D.A. investigators recovered \$2.4 million in U.S. currency for the County coffers in connection with fraudulent acts committed by one corporate vendor. Fraudulent billings to the County totaling \$800,000 from the same vendor were cancelled. This is \$3.2 million recovered and saved in just one case -- much more than the annual cost of the entire enforcement program.

Workers' compensation scams and system failings have created a fiscal crisis for the County and other self-insured government entities. The District Attorney's Office could do more to address this problem, but only if given greater flexibility in prosecutorial and investigative funding.

With the requested \$10 million in funding, the Sex Crimes Division, Environmental Crimes Division, and the Elder Abuse Section would not have to be curtailed. The requested budgetary allotment will finally fund the District Attorney's Roll Out teams and the Justice System Integrity Division, and partially fund the Organized Crime Division.

New funding will not only prevent the loss of positions to the department and the loss of vital services to the County's residents, but it will stop the growth of the "salary savings" factor and begin to reverse its destructive trend.

The failure to act upon this request will mean a weaker District Attorney's Office and diminished protection services for County residents.

## **WHERE WE COULD BE**

Failure to fully fund this department's 2002-03 budget will seriously impact its ability to perform core missions. New initiatives and established programs will be subject to drastic reduction and, in some cases, outright elimination. The largest local prosecution agency in the nation will revert to being a reactive bureaucracy, putting at risk positive momentum created by successful cutting-edge prosecutions and investigations in such diverse areas as public corruption, welfare fraud and forensic sciences.

Moreover, failure to adequately fund the District Attorney's Office will result in the reduction or elimination of various programs which require the assignment of staff to investigate and vertically prosecute specific types of crimes. Lack of funding will lead to the cutting of the Environmental Crimes Division and the Sex Crimes Division. These cases would normally go to units comprised of specially trained prosecutors who have developed an expertise in their respective areas. Instead, they would be redirected to line operations where they would become merely part of the mix of tens of thousands of felony cases filed and prosecuted each year. Some cases could not be investigated or prosecuted at all.

Other critical units may have to be reduced. Included among them are the following: the Forensic Sciences Unit which works with law enforcement to investigate and prosecute old cases and the Training Division which provides both new and experienced prosecutors with up-to-date legal information and a

forum to continually enhance their skills. (Promoting workforce excellence is a key element of the County's strategic plan.) The Hardcore Gang Division with a caseload consisting almost entirely of murders -- where too often victims are innocent children caught in crossfire -- may have to be reduced. To repeat, these cases and critical functions would cease to receive specialized attention. Instead, they would have to wait in line with robberies, assaults and drug cases that clog the County's courts.

In the last election the public sent a clear message -- they demand confidence in public officials and justice system agencies. In response, I created the Public Integrity (PID) and Justice System Integrity (JSID) Divisions.

Investigators and prosecutors from these units have exposed corruption and other forms of criminal activity on the part of individuals sworn to serve and perform public service. In order to staff these critical divisions, resources were redirected from other areas. But attrition has taken its toll, and any hope of expanding these highly successful units is disappearing with each person who leaves the office for whom we cannot hire a replacement.

The Organized Crime Division, which focuses on individuals who engage in organized, conspiratorial criminal enterprises needs to be adequately staffed. Whether committing murder or complex insurance or other financial frauds, the actions of these sophisticated criminals ultimately result in increased costs to law-abiding citizens. Failure to provide funding for this important division

deprives County residents of a major tool in the fight against the many faces of organized crime.

Critical and important functions are threatened by the cuts currently under consideration. The District Attorney's Office is comprised of prosecutors, investigators and support staff whose only job is to provide victims with the justice they so greatly deserve and the public with the protection it truly needs. No other County department can perform this function. There are some things only the District Attorney's Office can do. We cannot do them without adequate funding.

We have done what the County has asked us to do. We have obtained funding from outside revenue sources. We have closely scrutinized operations to ensure that resources are being used efficiently and effectively. District Attorney employees are doing more with less. Now it's the County's turn. We are not asking for tens of millions of dollars to fund extravagant, unproven, or irrelevant programs. What we are asking for are the resources that will allow us to do our job, a job only we can do.